2650 AEGON CENTER | 400 WEST MARKET STREET | LOUISVILLE, KENTUCKY 40202-3377

Douglas F. Brent 502-568-5734 Brent@skp.com

June 2, 2005

Ms. Elizabeth O'Donnell Executive Director Public Service Commission P.O. Box 615 Frankfort, KY 40602 RECEIVED

JUN - 6 2005

PUBLIC SERVICE

COMMISSION

RE: 2004-00369 - Reply to Commission Staff's Data Request

Dear Ms. O'Donnell:

On May 13, 2005, the Commission served on Dialog and BellSouth its Staff's Data Request which asks that the parties file a report of the status of their negotiations, including a discussion of the status of each unresolved issue and plans to conclude this proceeding, including plans to conclude this proceeding and a proposed procedural schedule. This is to provide a response to Commission Staff's Data Request.

As the Commission is aware, this case involves BellSouth's objection to Dialog's attempt to adopt an effective interconnection agreement between BellSouth and Cinergy Communications. Dialog is in continuing discussions with BellSouth concerning a new interconnection agreement, and Dialog has reviewed and proposed changes to the recent contract proposal of BellSouth. In addition, Dialog has recently inquired concerning whether BellSouth would object if Dialog files a Section 252(i) notice to adopt an agreement which has been amended to delete the "broadband" language BellSouth made an issue of in Case No. 2004-00501. Undersigned counsel is not aware whether BellSouth has responded to that request.

In the event that Dialog files a petition for arbitration, or a separate 252(i) notice, or if Dialog negotiates a new agreement with BellSouth, Dialog anticipates withdrawing its notice in the instant proceeding. Moreover, Dialog is a party to Case No. 2004-00427, the generic change of law docket, and anticipates that Commission determinations in that case could have an effect on the parties' attempt to reach agreement.

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In the meantime, Dialog believes it would be prudent for the Commission to continue to hold this matter in abeyance while negotiations continue. Given the current status, Dialog is not proposing a procedural schedule at this time.

Please indicate receipt of this filing by your office by placing a file stamp on the extra copy and returning to me via the enclosed, self-addressed, stamped envelope.

Sincerely yours,

Douglas F. Brent

DFB:jms

cc: parties of record